



25th world gas conference
"Gas: Sustaining Future Global Growth"

The Future of LNG

Development of New Technologies in Floating LNG

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Excelerate Energy

Date: June 6, 2012

Venue:



Patron



Host



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The Future of LNG



Excelsior sees a proliferation of projects around the world similar to what is shown here for floating regasification projects in Latin America and the Caribbean

Timing, flexibility, and cost efficiency are the main drivers for these markets to choose floating technology

Floating Regasification Projects

-  Existing / Under Development (Excelsior)
-  Existing / Under Development (Others)
-  Ongoing opportunity

Uncertainties in the LNG Industry Today

- A shorter list may have been to state the certainties in the LNG industry today, but here's a "simple" list of questions to address:
- *How will shale gas affect both the supply and demand sides of the equation, and can it remain cost competitive? Flexibility and adaptability are essential.*
- *What will the role of nuclear power be in the future – not just in Asia, but worldwide as well? A timely market response with focused solutions is needed.*
- *How quickly will the global economy recover, and what are the implications for increased demand? Markets need to find a way to meet emerging energy needs.*
- *Can the industry sustain the pace of development required to realize the projects underway and in the planning stages? Quick and nimble development is key.*
- *Can the industry respond quickly enough? Development windows must be shortened.*

Greatest Opportunity to in the LNG Industry Today

3+ MTPA Floating Liquefaction Vessel
(250,000 m³ Storage)

Advantages

- Cost
- Timing
- Flexibility



Concerns for the LNG Business Today

- **Rising costs of project development**
 - Spiraling cost increases have the potential to threaten LNG's competitiveness globally
 - Cyclicity prevalent in LNG exacerbates uncertainties, potentially resulting in an overbuild situation at one end of the spectrum and a shortfall at the other end
 - Subsequent cost increases in delivered LNG may push market focus to other competing energy sources and technologies

- **Shortage of human resources**
 - Globalization / proliferation of markets is changing the way we do business
 - Rapid pace of development is straining the market's capability to pursue new endeavors
 - Talented personnel are harder to come by, narrowing achievable project "bandwidth"

- **Availability of capital and market appetite for risk**
 - The above risks can be a challenge to attracting debt and equity capital
 - New projects and markets need to perform well to keep the financial taps open

- **Achieving balance and behaving rationally are the keys to market success**

Key Factors to Support LNG Growth

■ **New technological innovation and adoption**

- Finding better, more cost efficient ways to bring product to market
- Increasing flexibility and efficiency in operations
- Reducing time from concept to import, making LNG imports an attainable solution



■ **Continued increase in spot and short-term market trading**

- Establishment of a deeper, more reliable market to support project development and financing
- Commoditization of LNG to help spur development of greater physical and financial risk management tools



■ **Proliferation of LNG producing and consuming markets**

- Expansion of LNG's reach into both larger and smaller markets
- Balancing of production resources and market needs
- Focus on a solution-based approach to deliver energy where and when it is needed

